

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

WASHINGTON, D. C.

ORDER NO. 2153

IN THE MATTER OF:

Served October 17, 1980

Application of TARA LINES, INC., for)
Special Authorization to Perform)
Charter Operations Pursuant to)
Contract with Close Up Foundation)

Case No. CP-80-08

Application of EYRE'S BUS SERVICE,)
INC., for Special Authorization to)
Perform Charter Operations Pursuant)
to Contract with Close Up Foundation)

Case No. CP-80-09

Application of THE COLONIAL TRANSIT)
COMPANY, INC., for Special)
Authorization to Perform Charter)
Operations Pursuant to Contract with)
Close Up Foundation)

Case No. CP-80-10

By applications filed October 16, 1980, Tara Lines, Inc., Eyre's Bus Service, Inc., and The Colonial Transit Company, Inc., seek authorization to operate pursuant to WMATC Special Certificate of Public Convenience and Necessity No. 1 under virtually identical contracts with Close Up Foundation, transporting those high school students and their teachers participating in educational tour programs arranged for and conducted by Close Up Foundation, over irregular routes, between the Quality Inn Pentagon Motel, Quality Inn Central Motel and the Sheraton National Motel, all located in Arlington County, Va., and points in the Metropolitan District. It appears from the contracts and other exhibits submitted with the applications that nonradial authority between points in the Metropolitan District (except, of course, between points located solely in Virginia) is required. Inasmuch as these applications appear to call for the transportation of students in charter operations pursuant to contracts with a private school which is approved by a bona fide source of accreditation, 1/ and the contract is for a period of 7 and 1/2

1/ Close Up is accredited by the National Association of Secondary School Principals.

months, the application appears generally to be amenable to processing under Commission Regulation No. 70. 2/

The contracts, dated October 14, 1980, call for a total of 15 buses to be provided during the period November 17, 1980, and June 30, 1981. Tara is to provide 4 buses, Eyre's 6 buses, and Colonial 5 buses. Should a contract be breached, however, the party not in default may cancel the contract contingent upon 10 days' written notice and the failure of the defaulting party to correct the breach.

The rates to be charged by each carrier are as follows:

One-Way Transfers to or from Motel (per bus)	\$66.00
Non-Lectured Hourly Service (per bus)	\$26.00 an hour <u>3/</u>

Close Up will also reimburse each carrier for additional fuel costs engendered by fuel price increases experienced after commencement of the contract period.

Close Up, a non-profit foundation which operates a government studies program for high school students and their teachers, submitted identical affidavits in support of these applications. During the 1980-81 school year, Close Up plans to bring over 14,000 persons to the Metropolitan District during 17 or 18 one-week periods. Each week assertedly will involve four programs each requiring five buses. The affidavit does not explain the discrepancy between the 20 buses required and the 15 buses to be provided by these three applicants. Close Up has investigated each applicant's qualifications and states that it is satisfied with the carriers' abilities properly to perform the proposed services. Both Tara and Eyre's provided some service to Close Up during the 1979-80 school year.

Tara's balance sheet, dated August 31, 1980, shows current assets of \$41,879, total assets of \$194,072, current liabilities of \$29,525, long-term obligations of \$114,419 and stockholders' equity of \$45,128. For the period January through August, 1980, Tara shows revenues of \$161,854, operating expenses of \$136,346 and taxable income (less deductions for interest) of \$21,713. Tara operates nine motor coaches (including one leased from Judith Hendrickson) and one van. Tara operates five buses in commuter service subject to regulation by the Interstate Commerce Commission and would use these buses during non-commuting hours to serve Close Up. Its other four buses would generally be available as back-up vehicles, and, in case of

2/ Regulation No. 70-02 (f)(iii).

3/ Subject to a four-hour minimum.

emergencies, Eyre's has agreed to provide back-up service for Tara. Tara states that it has not been found unfit and that its fitness is not now under investigation by any regulatory agency.

Tara submitted with its application a contract of lease on Virginia Form MC-222. However, Commission Regulation No. 69 requires the filing of a specific number of copies of the WMATC form adopted pursuant to that regulation. An appropriate form has been mailed to Tara and that carrier will be directed to effect the filing required by Regulation No. 69.

Eyre's balance sheet, dated April 30, 1980, shows current assets of \$13,356, total assets of \$1,191,921, current liabilities of \$166,514, long-term liabilities of \$404,593 and stockholders' equity of \$620,814. For the year ended April 30, 1980, Eyre's earned \$2,449,176 with business expenses of \$2,302,392, resulting in after-tax profits of \$132,706. Eyre's operates a fleet of 42 buses, including 12 which are operated in commuter service each weekday morning from Columbia, Md., to the District of Columbia and which are idle between the hours of 8:00 a.m. and 5:00 p.m. In addition, Eyre's has a reserve of 13 buses which are not dedicated to specific daily service. Eyre's states that it has neither been found unfit nor is its fitness under investigation by any regulatory agency. Both Tara and Eyre's have on file appropriate evidence of security for the protection of the public.

Colonial's balance sheet, dated September 1, 1980, reveals current assets of \$360,752, total assets (including notes receivable and deferred debits totaling \$1,319,898) of \$3,577,062, current liabilities of \$790,810, long-term liabilities of \$2,453,491 and stockholders' equity of \$333,177. Its operating statement for the period January through August, 1980, shows revenues of \$1,818,642, operating expenses of \$2,094,956, and other income and deductions aggregating \$1,393 for a net loss of \$274,920. Colonial operates 59 buses of which at least 18 of its "better" coaches are said to be available to serve Close Up. During the winter months, Colonial states that it has too much idle equipment, and it looks forward to earning vitally needed revenue from this service. Colonial asserts that it has not been found unfit and is not the subject of any current fitness investigation.

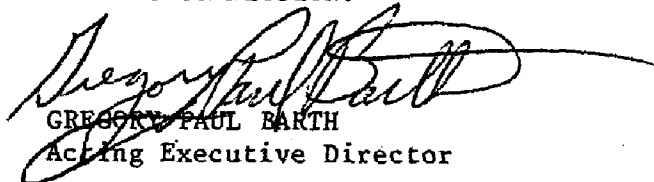
On October 17, 1980, a certificate of insurance for Colonial was received that was not in compliance with Commission Regulation No. 62. Accordingly, said certificate has been returned with instructions for appropriate changes. The granting of any operating authority to this carrier will be contingent upon prior receipt of a fully complying certificate of insurance.

Pursuant to Commission Regulation No. 70-06, notice of these applications must be published and opportunity given for the filing of protests. Protests, if any, must be written, sworn and notarized, and must contain all evidence and argument upon which the protestant would rely.

THEREFORE, IT IS ORDERED:

1. That applicants collectively publish once, in a newspaper of general circulation in the Metropolitan District, notice of this application in the form prescribed by the staff of the Commission no later than Friday, October 24, 1980.
2. That applicants shall file an affidavit of such publication with the Commission no later than Friday, October 31, 1980.
3. That any person desiring to protest this application shall file a notarized protest in conformance with Commission Regulation No. 70-06 at the office of the Commission, Suite 316, 1625 I Street, N. W., Washington, D. C. 20006, no later than Monday, November 3, 1980, and shall simultaneously serve a copy of such protest on counsel for applicants, L. C. Major, Jr., Esquire, Major, Sage & King, 6121 Lincolnia Road, Suite 400, Alexandria, Va., 22312.
4. That Tara Lines, Inc., file for approval a contract of lease on WMATC approved forms no later than Friday, October 31, 1980.
5. That The Colonial Transit Company, Inc., file a fully complying certificate of insurance no later than October 31, 1980.

FOR THE COMMISSION:


GREGORY PAUL BARTH
Acting Executive Director